

EARLY TAX RETURNS SHOW MORE E-FILING

WASHINGTON – It's a new tax season, but the Internal Revenue Service says that the early returns are following a familiar pattern – more electronic transactions and fewer paper ones.

“The trend toward more e-filing continues this year,” said Internal Revenue Commissioner Charles O. Rossotti. “Through February 9th, 69 percent of filers have e-filed by computer or by phone, compared to 63 percent at this time last year. These taxpayers reap the benefits of having more accurate returns and faster refunds.”

More than 1.6 million taxpayers have e-filed from their personal computers, a 31 percent increase over the comparable period last year.

Nearly all computer e-filers can have a totally paperless return by using a five-digit Personal Identification Number (PIN) of their own choosing for their signature. They must also provide two figures from last year's tax return – the adjusted gross income and total tax. Those taking advantage of this Self-Select PIN system do not have to mail any signature document to the IRS.

Two-thirds of taxpayers doing their own e-filed returns have used the Self-Select PIN, but that figure drops to only 15 percent of taxpayers who e-filed through a paid preparer. This may be because taxpayers did not bring a copy of last year's return to the preparer and thus lacked the information needed to use the PIN system.

“The PIN system is easy and convenient, but taxpayers should remember that they need information from their 1999 tax return to use the process,” Rossotti said.

The early refund statistics show that:

- The IRS has certified more than \$33 billion in refunds, up from \$32.5 billion at this time last year.
- The average refund is up \$83, to \$2,046 -- a four percent increase.
- Nearly three out of four taxpayers receiving refunds had them deposited directly to their bank accounts. Direct deposit -- the fastest, safest and most convenient way to get a refund – is available to all filers.

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2001 FILING SEASON STATISTICS

Cumulative through the week ending 2/11/00 and 2/9/01

	<u>2000</u>	<u>2001</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	23,459,000	21,856,000	- 6.8
Total Processed	17,918,000	17,010,000	- 5.1
E-filing Receipts:			
TOTAL	14,700,000	15,046,000	2.4
TeleFile (phone)	2,688,000	2,181,000	-18.9
Computer	12,012,000	12,865,000	7.1
Tax Professionals	10,776,000	11,246,000	4.4
Self-prepared	1,236,000	1,619,000	31.0
Refunds Certified by the Martinsburg Computing Center:			
Number	16,568,000	16,143,000	- 2.6
Amount of principal	\$32.515 billion	\$33.036 billion	1.6
Average refund	\$1963	\$2046	4.3
Direct Deposit Refunds:			
Number	11,199,000	11,931,000	6.5
Amount	\$25.995 billion	\$27.958 billion	7.6
Average	\$2321	\$2343	1.0